

Briefing Material

for 1st quarter ended Mar. 31, 2026

May 14, 2026

NAKANISHI INC.

Disclaimer

The information presented in these materials contains forward-looking statements about future business performance. These statements by definition involve risks and uncertainties and are not intended to guarantee future performance. Actual results in the future may differ from expectations and the projections presented in these materials due to changes in the global economy and fluctuations in foreign currency exchange rates and so on.

Dental Business

Development, production and sales of wide range of dental equipment, which cover such as restorative dentistry, periodontics, oral surgery, mobile dental care, etc.



Handpiece



Implant motor



Oral hygiene system



Clinical micro motor

DCI Business

Presenting results of DCI, acquired in 2023, as an independent segment. Development, production and sales of dental chairs and related equipment for the North American market.



Dental chair



Dental cabinet



Dental parts

Surgical Business

Development, production and sales of bone grinding and cutting drills which can be used in areas of neurosurgery, spine surgery and orthopedic surgery.

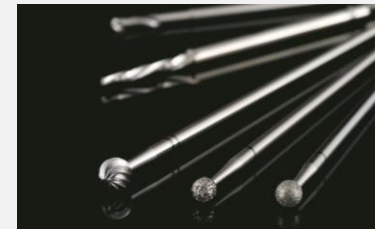
The results of Acra Cut and Intech (acquired in 2026) are included in this Surgical Business.



Console



Surgical motor & Attachment



Bur (Disposable)



Perforator (Disposable)

Industrial Business

Development, production and sales of spindles which can be used in high-precision processes in wide range of industrial areas such as automobile and precision parts industries.



Controller & Spindle



Speed-increasing spindle



Ultrasonic cutter



Tools

Achieved double-digit sales growth across all segments; Dental, DCI, Surgical, and Industrial. In particular, sales grew in Dental-Japan and Surgical businesses. Consolidated net sales increased by 21% YoY, and by 15% even excluding forex impact.

*The Q1 financial results do not include the performance of the two acquired companies (Acra Cut and Intech). They are expected to be consolidated from Q2 onward.

Although increased production at factories led to an improvement in the standalone gross margin, the consolidated gross margin declined by 2 percentage points due to the impact of unrealized profits and U.S. tariffs. In addition to profit growth driven by higher revenues, the partial underspending of certain R&D plan resulted in consolidated EBITDA increasing by 23.6% YoY.

In addition to operating profit growth driven by business expansion, improvements in foreign exchange gains and losses and the absence of the previous year's impact of prior-period income taxes led to a significant increase in quarterly profit attributable to owners of parent.

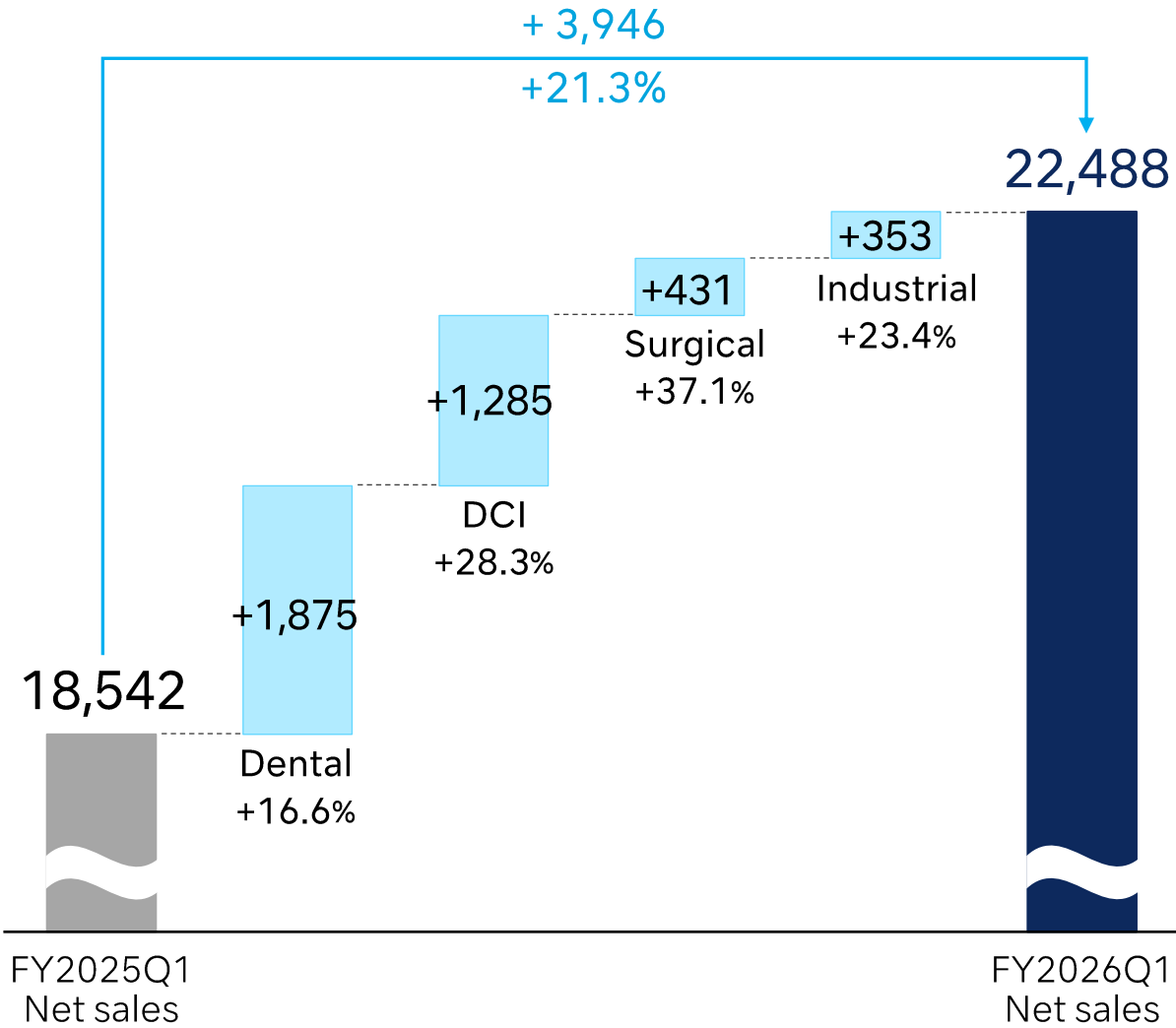
M of JPY

		FY2026Q1	FY2025Q1	YoY comparison	
		Actual	Actual	Amount	Ratio
Net sales		22,488	18,542	+3,946	+21.3%
Gross Profit		12,935	11,076	+1,858	+16.8%
	Ratio to net sales	57.5%	59.7%	-2.2pt	—
EBITDA *		5,876	4,755	+1,120	+23.6%
	Margin	26.1%	25.6%	+0.5pt	—
Operating Profit		4,675	3,361	+1,313	+39.1%
	Ratio to net sales	20.8%	18.1%	+2.7pt	—
Ordinary Profit		5,548	2,626	+2,921	+111.2%
	Ratio to net sales	24.7%	14.2%	+10.5pt	—
Profit attributable to owners of parent		3,980	440	+3,539	+803.9%
	Ratio to net sales	17.7%	2.4%	+15.3pt	—
E P S	(JPY)	47.93	5.23	—	—
* EBITDA = Operating profit + Depreciation + Amortization					
Currency rate	- Against the US dollar (JPY)	156.48	152.95	+3.53	—
	- Against the EURO (JPY)	183.73	160.74	+22.99	—

▪ Forex impact: Net sales +1,031M of JPY (vs FY2025Q1 Actual), +1,050M of JPY (vs FY2026 Forecast)

Change in Net Sales by Business Segment

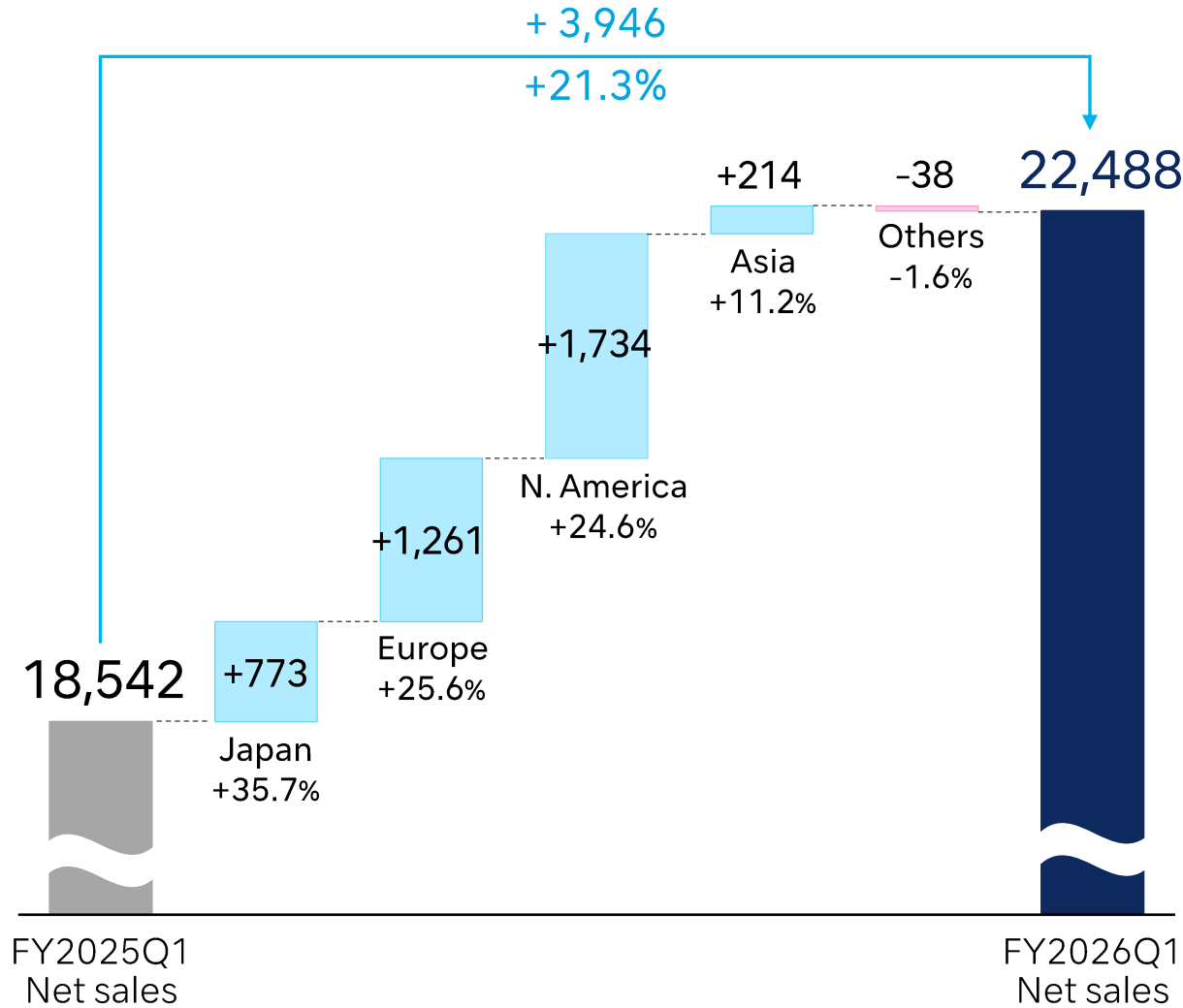
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	FY2025Q1 Actual A	FY2026Q1 Actual B	of which: forex impact	Change B/A-1
Dental	11,323	13,199	+805	+16.6%
DCI	4,547	5,832	+104	+28.3%
Surgical	1,164	1,596	+46	+37.1%
Industrial	1,507	1,860	+73	+23.4%
Total	18,542	22,488	+1,031	+21.3%

Change in Net Sales by Region

M of JPY

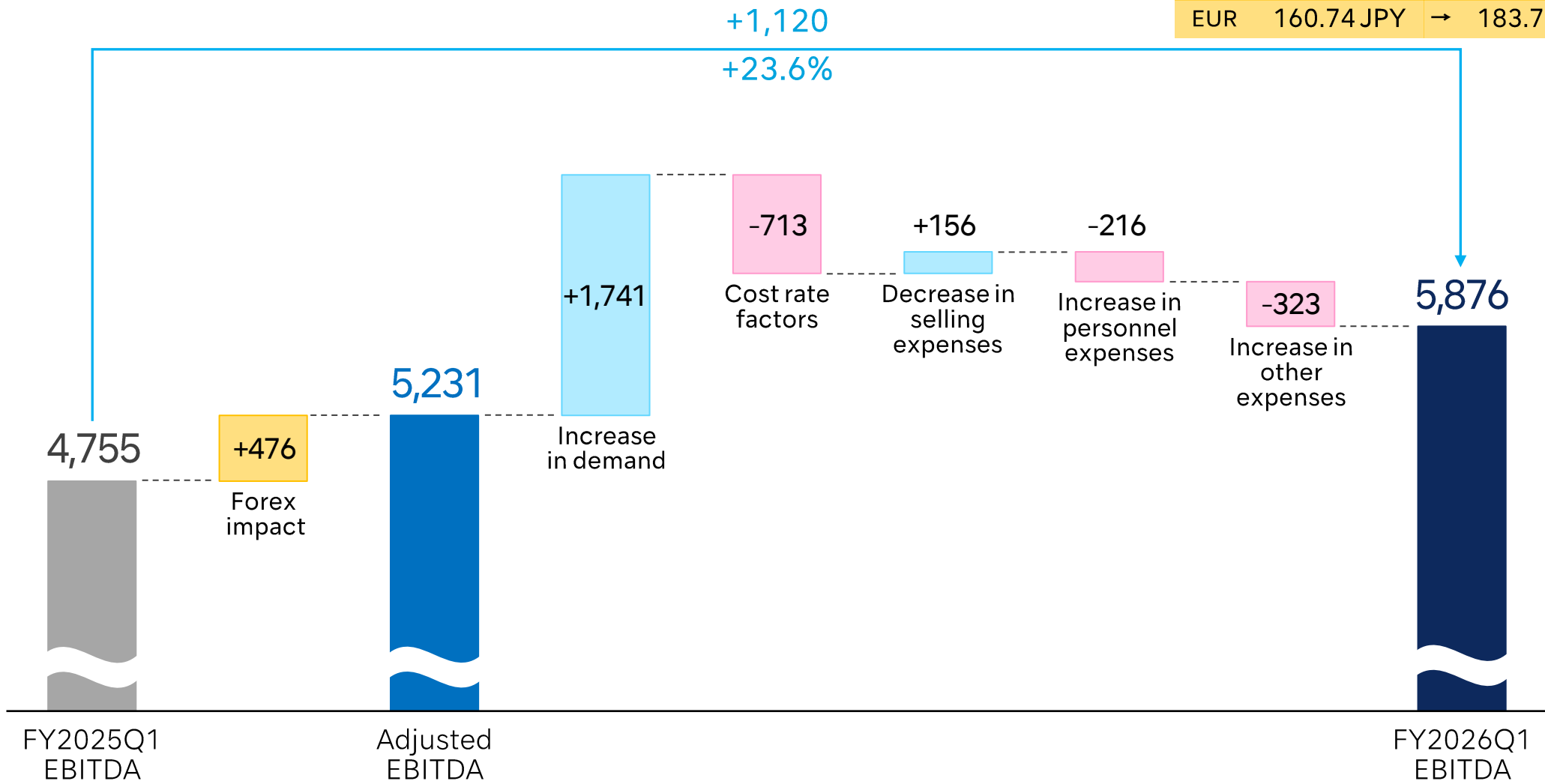


	FY2025Q1 Actual A	FY2026Q1 Actual B	of which: forex impact	Change B/A-1
Japan	2,168	2,942	-	+35.7%
Europe	4,934	6,196	+658	+25.6%
N. America	7,052	8,787	+155	+24.6%
Asia	1,915	2,130	+62	+11.2%
Others	2,471	2,433	+155	-1.6%
Total	18,542	22,488	+1,031	+21.3%

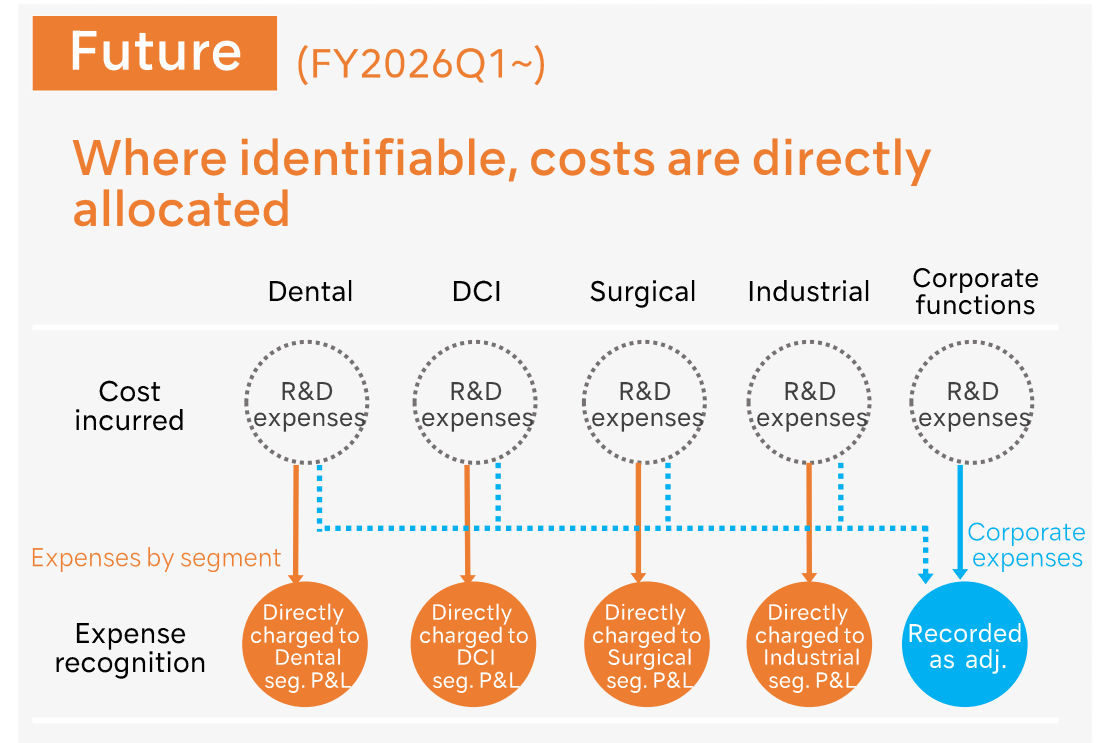
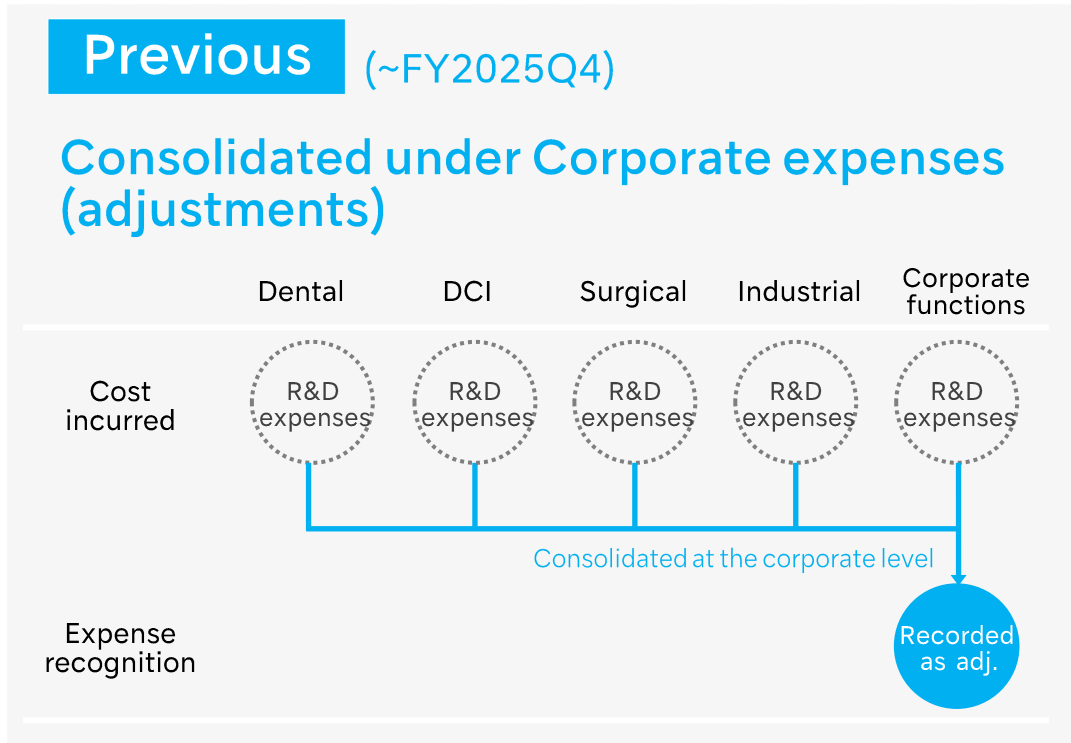
Change in EBITDA

M of JPY

Average exchange rate	
	FY2025Q1
USD	152.95 JPY
	→
	FY2026Q1
EUR	160.74 JPY
	→
	183.73 JPY

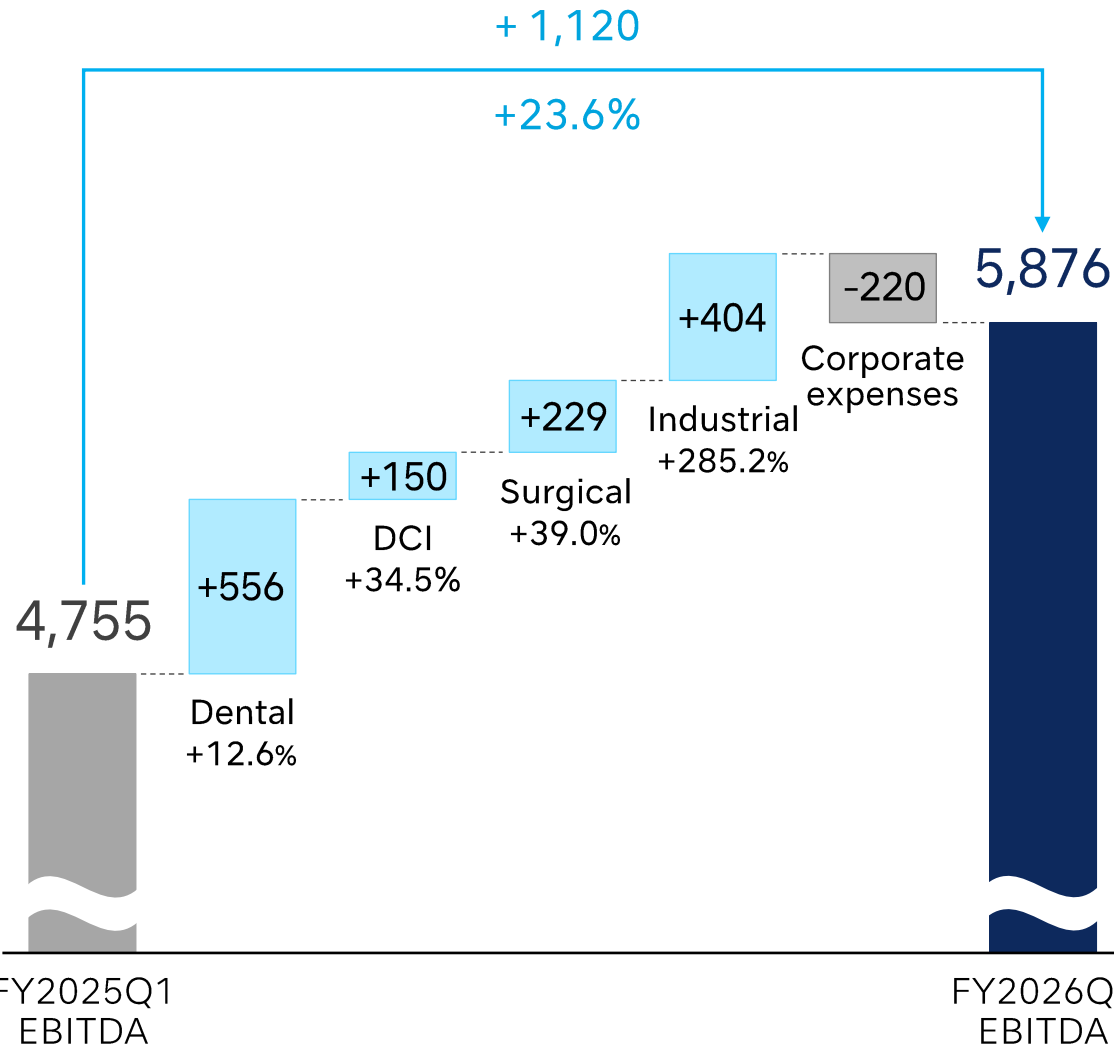


To achieve the NV2030 targets, we have initiated growth investments in each segments and clarified R&D expenses by segments to enhance profitability management.



Change in EBITDA by Business Segment

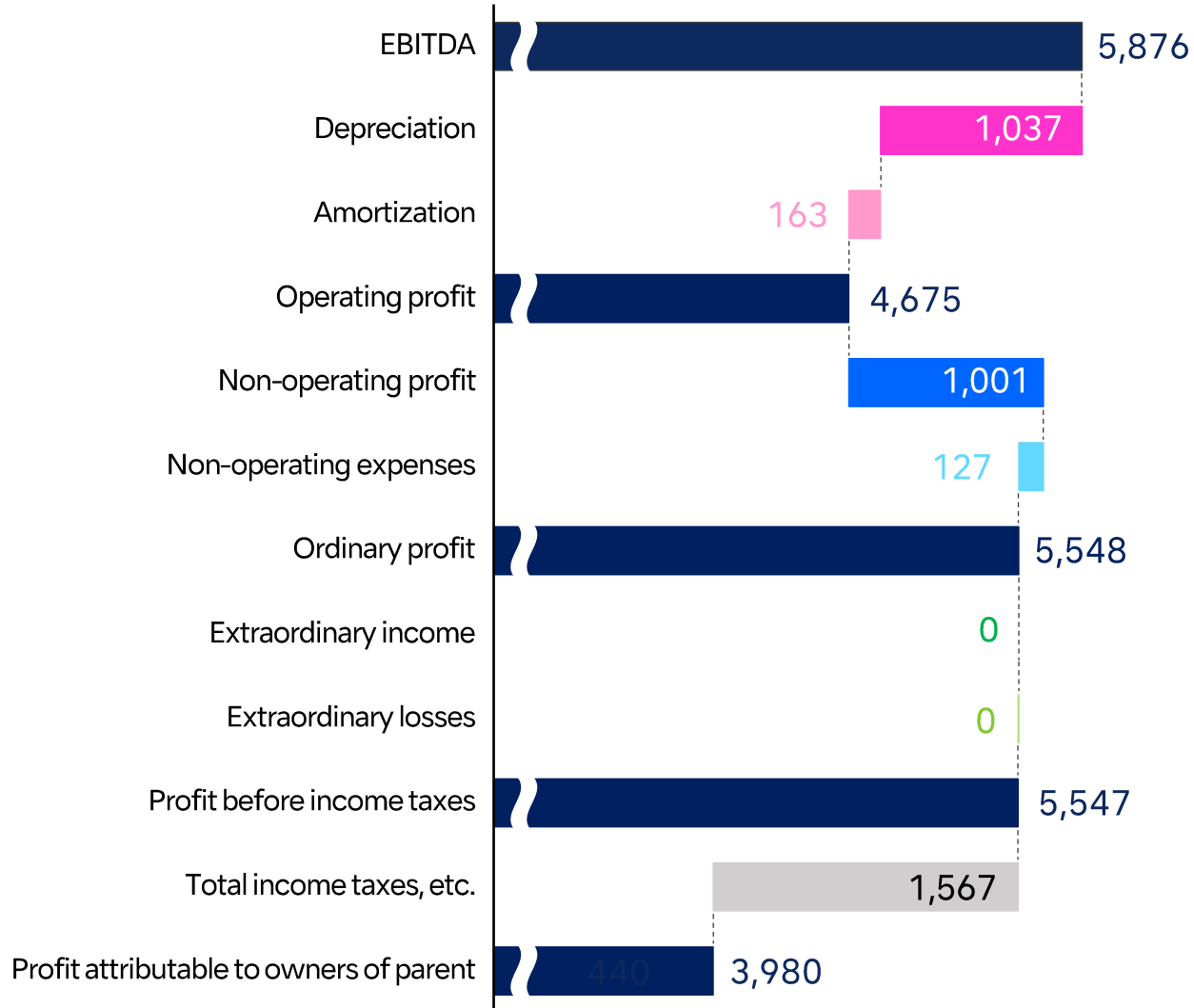
M of JPY



	Actual FY2025Q1 A	Actual after retrospective adjustment FY2025Q1 A'	Actual FY2026Q1 B	Change B/A'-1
Dental	4,731	4,421	4,978	+12.6%
DCI	436	436	587	+34.5%
Surgical	631	587	817	+39.0%
Industrial	164	141	546	+285.2%
Corporate expenses	-1,208	-832	-1,052	-
Total	4,755	4,755	5,876	+23.6%

Forex impact +476 M of JPY (+10.0%)

M of JPY



Non-operating profit	· Interest income	344
	· Foreign exchange gains	533
	· Miscellaneous income	113
Non-operating expenses	· Interest expenses	71
	· Miscellaneous losses	56
Extraordinary income	(None)	
Extraordinary losses	· Loss on retirement of non-current assets	0.8

M of JPY

	As of Mar. 31, 2026	As of Dec. 31, 2025	Change	Notes
Total assets	165,775	160,155	+5,619	· Investments and other assets – Other (Acra Cut / Intech) +6,449
- Cash and deposits	60,068	61,317	-1,248	
- Inventories	26,485	25,565	+920	· Merchandise and finished goods +181 · Work in process +224
- Goodwill	5,359	5,391	-31	· Raw materials and supplies +514
Liabilities	49,373	46,081	+3,292	· Income taxes payable -1,941
- Loans payable	32,695	26,772	+5,922	· Short-term borrowings +4,953 · Current portion of long-term borrowings +1,018 · Long-term borrowings -50
Net assets	116,401	114,074	+2,327	· Foreign currency translation adjustment +706
- Retained earnings	111,701	110,046	+1,655	

	FY2026Q1 Actual	FY2025Q1 Actual	Change	Notes
Capital investments	725	1,031	-306	· Machinery and equipment 330 · New subsidiary buildings 132
Depreciation expenses	1,037	1,021	+15	

Consolidated Financial Forecast for FY2026

(Revised as of March 5, 2026)

Consolidated Financial Forecast for FY2026Q2 (Revised as of March 5th)

M of JPY

	FY2026Q2 Forecast	FY2025Q2 Actual	Change	
			Amount	Ratio
Net sales	44,374	39,189	+5,184	+13.2%
Gross profit	24,430	23,104	+1,326	+5.7%
Ratio to net sales	55.1%	59.0%	-3.9pt	—
E B I T D A *	10,183	10,390	-207	-2.0%
Margin	22.9%	26.5%	-3.6pt	—
Operating profit	7,481	7,587	-105	-1.4%
Ratio to net sales	16.9%	19.4%	-2.5pt	—
Ordinary profit	7,501	6,930	+571	+8.2%
Ratio to net sales	16.9%	17.7%	-0.8pt	—
Profit attributable to owners of parent	5,308	3,510	+1,797	+51.2%
Ratio to net sales	12.0%	9.0%	+3.0pt	—
E P S (JPY)	63.53	41.84	—	—

Currency rate

- Against the US dollar	(JPY)	150.00	149.01	+0.99	—
- Against the EURO	(JPY)	170.00	162.62	+7.38	—

* EBITDA = Operating profit + Depreciation + Amortization

Net Sales 90.1 <small>Bof JPY (+11.1%)</small>	Expecting sales increase in all business segments and to achieve record-high sales for the sixth consecutive year. Expecting increases in selling, personnel, and R&D expenses as growth investments in the surgical business.
○ SGA expenses	
EBITDA 21.8 <small>Bof JPY (+9.8%)</small>	Expecting to achieve record-high profit driven by sales growth and the Acra Cut acquisition. Reduced goodwill amortization related to DCI.
○ Depreciation expenses	
Operating profit 16.2 <small>Bof JPY (+15.1%)</small>	Expecting to achieve record-high profit in four years driven by sales growth, acquisition effects, and lower amortization. Absence of the previous year's JPY1.5 billion FX gain.
○ Non-operating profit and expenses	
Ordinary profit 16.0 <small>Bof JPY (-5.0%)</small>	Expecting lower profit due to the absence of the foreign exchange gains recorded in the previous fiscal year. Absence of the previous year's JPY13.7 billion impairment loss.
○ Extraordinary income and losses	
○ Total income taxes, etc.	Absence of the previous year's JPY1.1 billion Income Taxes for Prior Periods.
Profit attributable to owners of parent 11.1 <small>Bof JPY (-)</small>	Expecting a return to net profit driven by the absence of one-off expenses.

Consolidated Financial Forecast for FY2026 (Revised as of March 5th)

M of JPY

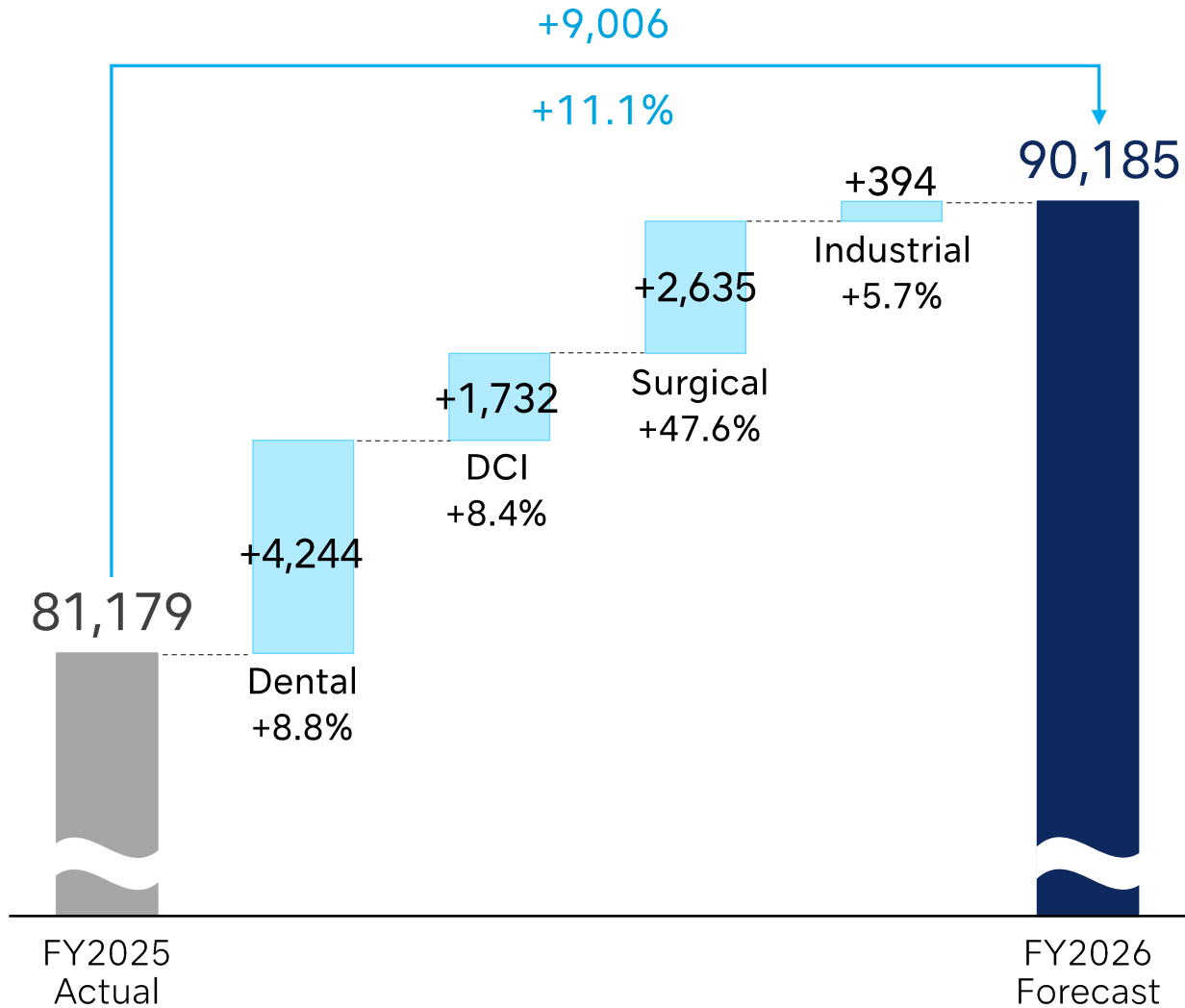
		FY2026 Forecast	FY2025 Actual	Change		Note
				Amount	Ratio	
Net sales		90,185	81,179	+9,006	+11.1%	
Gross profit		50,176	46,060	+4,116	+8.9%	
	Ratio to net sales	55.6%	56.7%	-1.1 pt	—	
EBITDA *1		21,854	19,899	+1,955	+9.8%	
	Margin	24.2%	24.5%	-0.3 pt	—	
Operating profit		16,215	14,089	+2,126	+15.1%	
	Ratio to net sales	18.0%	17.4%	+0.6 pt	—	
Ordinary profit		16,091	16,933	-842	-5.0%	
	Ratio to net sales	17.8%	20.9%	-3.0pt	—	
Profit attributable to owners of parent		11,193	-2,398	+13,591	—	
	Ratio to net sales	12.4%	-3.0%	+15.4 pt	—	
E P S	(JPY)	133.96	-28.70	—	—	
Capital investments		15,354	5,302	+10,051	—	Nakanishi : 3,101 Group companies: 12,253 *2
Depreciation expenses		4,559	4,343	+216	—	
Currency rate						Forex sensitivity
- Against the US dollar	(JPY)	150.00	150.43	-0.43	—	284 M of JPY (Annual net sales)
- Against the EURO	(JPY)	170.00	169.18	+0.82	—	103 M of JPY (Annual net sales)

*1 EBITDA = Operating profit + Depreciation + Amortization

*2 An increase of 4,050 M of JPY compared to the previous forecast (reflecting increased capital investments at DCI and NSK America).

Consolidated Financial Forecast for FY2026 Change in Net Sales by Business Segment (Revised as of March 5th)

M of JPY

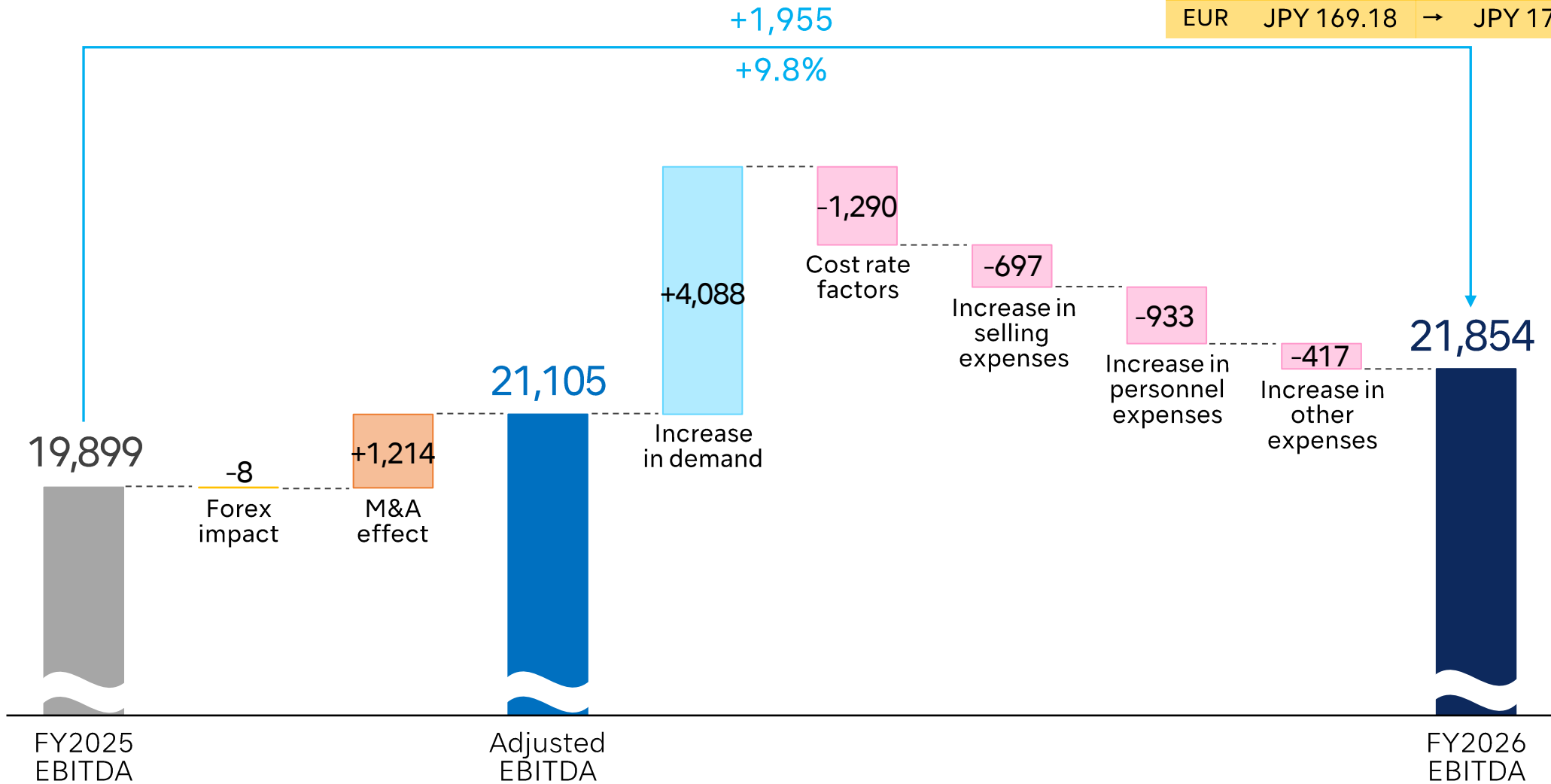


	FY2025 Actual	FY2026 Forecast	Change
Dental	48,197	52,441	+8.8%
DCI	20,538	22,270	+8.4%
Surgical	5,537	8,173	+47.6%
Industrial	6,906	7,301	+5.7%
Total	81,179	90,185	+11.1%
Forex impact		-204 M of JPY (-0.3%)	
M&A effect		+2,005 M of JPY (+2.5%)	

Consolidated Financial Forecast for FY2026 Change in EBITDA (Revised as of March 5th)

M of JPY

Average exchange rate		
	FY2025 Actual	FY2026 Forecast
USD	JPY 150.43	→ JPY 150.00
EUR	JPY 169.18	→ JPY 170.00



Topics

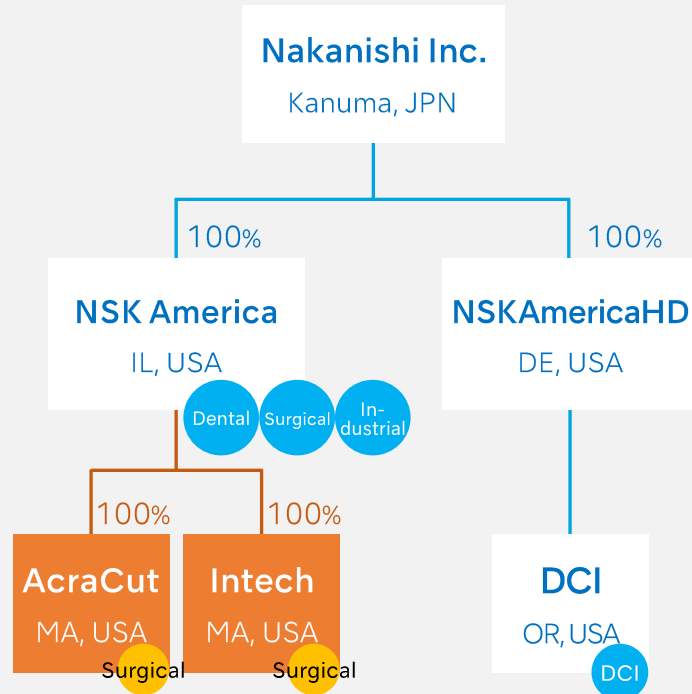
[M&A Structure]

NSK America acquiring all shares of Acra Cut and Intech, making them wholly owned subsidiaries

Acquisition price: Not disclosed
(share acquisition + earn-out)

Acquisition method: Using cash on hand and borrowings

Schedule: Completed share acquisition on April 1st, 2026.



[Overview of Acra Cut and Intech]

Acra Cut, Inc.

Location	Acton, Massachusetts, USA
Number of employees	12
Established	July 1982
Description of business	Development, manufacturing and sales of medical devices for neurosurgery
Main products	Automatic Releasing Cranial Perforator, etc.



▲ Cranial Perforator

Intech, Inc.

Location	Acton, Massachusetts, USA
Number of employees	21
Established	April 1966
Description of business	Manufacturing of precision components
Main products	Precision components used in Acra Cut products



▲ Acra Cut / Intech Headquarters

Related materials

- March 5, 2026 [Notice Regarding Acquisition of Shares by the Company's Consolidated Subsidiary \(Making Companies the Company's Second-Tier Subsidiaries\)](#)
- March 5, 2026 [Briefing Material for March 2026 M&A \(with Script\)](#)

NSK